

Message Text

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62

ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-03

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

/103 W

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R 091420Z JUN 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC 1456

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY THE HAGUE

US MISSION EC BRUSSELS

US DEL MTN GENEVA 68

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E. O. 11652: N/A

TAGS: ETRD, EIND, EINV, MTN, EEC, IT

SUBJECT: USG-GOI DISCUSSION OF REGIONAL AIDS IN RELATION TO
COUNTERVAILING DUTIES

REF: EC BRUSSELS 5028

PASS TREASURY AND STR

1. SUMMARY: DEPUTY ASSISTANT SECRETARY TREASURY SUCHMAN AND
FXSO CONSTAXBLE, ACCOMPANIED BY EMBOFF AND CUSTOMS REPS,
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CALLED AT MINISTRIES FOREIGN TRADE (MFT) AND FOREIGN AFFAIRS

(MFA) JUNE 6 TO DISCUSS COUNTERVAILING DUTY IMPLICATIONS OF GOI'S MEZZAGIORNO (SOUTH ITALY, SICILY AND SARDINIA) REGIONAL DEVELOPMENT PROGRAM IN CONNECTION WITH CURRENT TREASURY INVESTIGATION OF FLOAT GLASS IMPORTS FROM ITALY AND OTHER EC COUNTRIES. MINISTRY INDUSTRY DIRECTOR GENERAL INDUSTRIAL PRODUCTION CARBONE UNFORTUNATELY OUT OF TOWN AND OTHER MINISTRY INDUSTRY OFFICIALS NOT BRIEFED; CONSEQUENTLY, NO DISCUSSIONS WERE HELD WITH MINISTRY INDUSTRY REPS.

2. IN MEETING WITH MFT REP SIMEONE (DIRECTOR, GATT/EC AFFAIRS), SUCHMAN EXPLAINED RECENT CHANGES IN US COUNTERVAILING DUTY LEGISLATION AND URGED GOI AND GLASS INDUSTRY TO BE AS FORTHCOMING AS POSSIBLE IN PROVIDING INFORMATION TO USG IN ORDER THAT TREASURY CAN REACH A CORRECT DECISION IN THIS CASE. SIMEONE SAID MFT HAD REQUESTED COMPLETE INFO FROM THREE ITALIAN FIRMS MENTIONED IN COMPLAINT FILED WITH US TREASURY. TWO FIRMS DO NOT NOW AND DO NOT INTEND IN FUTURE TO EXPORT TO US. THIRD FIRM, WHICH HAS VERY LIMITED EXPORTS TO US (9.3 PERCENT OF OUTPUT, 971 MT IN 1974), DID NOT RPT NOT REPLY TO MFT REQUEST. MFT REGRETS THIS, BUT HAS NO RPT NO AUTHORITY TO COMPEL DISCLOSURE.

3. SIMEONE NOTED THAT GOI'S MEZZAGIORNO PROGRAM, WHICH HAS EXISTED SINCE 1947, HAS GREAT POLITICAL SIGNIFICANCE AND IS SUPPORTED BY ALL POLITICAL PARTIES. THE PROGRAM, HOWEVER, IS NOT IN ANY WAY DESIGNED TO PROMOTE EXPORTS. HE AGREED WITH SUCHMAN THAT, IN MTN, THERE IS NEED TO DEVISE BETTER INTERNATIONAL RULES DEFINING/GOVERNING "SUBSIDIES".

4. SUCHMAN MADE SAME OPENING PRESENTATION TO MFA REPS CALAMIA (DIRECTOR, EC/GATT AFFAIRS) AND FUXA (CALAMIA'S DEPUTY) AND THEN EXPLORED POSSIBILITY FOR REASONABLE NEGOTIATED SETTLEMENT IN MTN. CALAMIA INDICATED THAT, AS FAR AS GOI CONCERNED, SUBSIDIES/ COUNTERVAILING DUTIES WAS AREA WHICH COULD AND SHOULD BE DEALT WITH IN MTN. MOST DIFFICULT PROBLEM WILL PROBABLY BE LDC'S DESIRE FOR BLANKET EXCEPTION FROM SUCH RULES, WHICH CONCEPT CAUSES SERIOUS PROBLEMS FOR GOI.

5. CALAMIA ALSO STRESSED POLITICALLY SENSITIVE NATURE OF GOI'S MEZZAGIORNO PROGRAM AND NOTED THAT ITS INTENTION IS SOCIAL/ECONOMIC DEVELOPMENT OF SEVERLY DISADVANTAGED AREA AND NOT RPT NOT EXPORT LIMITED OFFICIAL USE

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PROMOTION.

6. SUCHMAN HAS READ AND APPROVED ABOVE MESSAGE. VOLPE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC DISCUSSIONS, GLASS, COUNTERVAILING DUTIES
Control Number: n/a
Copy: SINGLE
Draft Date: 09 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ROME08202
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750201-0278
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750668/aaaackap.tel
Line Count: 110
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Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 EC BRUSSELS 5028
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 14 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 APR 2003 by ElyME>; APPROVED <14 OCT 2003 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: USG-GOI DISCUSSION OF REGIONAL AIDS IN RELATION TO COUNTERVAILING DUTIES
TAGS: ETRD, EIND, EINV, US, IT, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006